DIRECTIVE 04-L&H-01

To: All Licensed Life and Health Insurers, Health Maintenance Organizations and Provider

Sponsored Health Care Corporations

From: Commissioner John W. Oxendine

Date: February 13, 2004

The Georgia Insurance Department issued two previous communications in May 2001, and June 2002, instructing insurers to comply with the Georgia Court of Appeals ruling in Medical Association of Georgia et al. v. Blue Cross and Blue Shield of Georgia, Inc., 244 Ga. App. 801 which stated that insurers should provide contracting providers with their fee schedule and the precise methodology that is used for determining payments. In an effort to further facilitate communications between managed care organizations and providers, I hereby direct all managed care insurers to supply certain information to such contracted providers regarding bundling edits and logic utilized in connection with payments of claims.

Disclosed bundling processes should be consistent with nationally recognized and generally accepted bundling edits and logic and include specific information, such as the publisher, product name and version of any software the managed care insurer utilizes to determine bundling and unbundling of claims.

Information relevant to the provider's practice should be made readily available to contracted providers, preferably through secure electronic means. If a written copy of coding guidelines is requested by a contracted provider, such information must be supplied to the requesting contracted provider within 30 (thirty) days of the date the request is received.

Contracted providers who receive information regarding coding guidelines may use or disclose such information for the purpose of practice management, billing, and other business operations only. Contracted providers may also disclose the information to a governmental agency involved in the regulation of health care or insurance.

Compliance with this Directive is expected by April 1, 2004. Should you have any questions about this Directive, please contact Carol Clark, Director, Managed Care Division at (404) 656-2085.